(c) and (d) Ministry of Tourism supports relaxation of Inner line permits and also introduction of Visa-on-arrival'for selected countries.

Rationalisation of tax structure on Hotels from Tourism point of view

†2913. SHRI MOTILAL VORA: Will the Minister of TOURISM be pleased to state:

(a) whether it is a fact that Government have suggested to the States to make the taxes to be imposed on hotels rational with a view to provide facilities to the tourists;

(b) if so, the State which were given such suggestions together with the dates and the details thereof; and

(c) the reaction of the concerned States on the suggestions of the Central Government?

THE MINISTER OF STATE OF THE MINISTRY OF TOURISM (SHRIMATI RENUKA CHOWDHURY): (a) to (c) The matter regarding rationalisation of taxes by the State Governments/Union Territories on hotels and other tourism industry was discussed in the recent State Tourism Ministers Conference held on 4th and 5th March, 2005 in New Delhi. It was recognised that Tourism is a major driver of economic growth and employment generation. It was, therefore, passed in the Resolution that the States would work towards rationality and uniformity of taxes so as to make their destination competitive. It was agreed that this would lead to increase in tourist arrivals and generate higher revenues. The States would also explore the possibility of drawing up **a** model uniform taxation regime in each zone.

Promotion of rural tourism

2914. SHRI S.P.M. SYED KHAN: Will the Minister of TOURISM be pleased to state:

(a) whether Government have sanctioned funds to Tamil Nadu to develop

†Original notice of the question was received in Hindi.